



Dated: April 01, 2010

The following is ORDERED:

BY THE COURT:

A blue ink signature of Terrence L. Michael is written over a horizontal line.

**TERRENCE L. MICHAEL
UNITED STATES BANKRUPTCY JUDGE**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF OKLAHOMA**

In re

**MAHALO ENERGY (USA) INC.,
Tax ID No. XXXXX-5447,
Debtor.**

Case No. 09-80795

Chapter 11

**ORDER CONFIRMING DEBTOR'S AMENDED PLAN OF REORGANIZATION
(DATED DECEMBER 4, 2009), AS AMENDED, AND RELATED SETTLEMENTS
AND COMPROMISES**

On January 26, 2010, the Court commenced its hearing on confirmation of the Debtor's Amended Plan of Reorganization (Dated December 4, 2009) (as amended, the "Plan"). On February 11, 2010, the Court held an evidentiary hearing on confirmation of the Plan, received evidence, heard the arguments of counsel, and confirmation of the Plan under advisement. Subsequently, on March 3, 2010, the Court held a telephonic hearing at which the Court announced its ruling on that certain "Legal Question" submitted to the Court in connection with confirmation of the Plan and the basis of its ruling (the "Oral Ruling"). Concurrently herewith, the Court entered its "Findings of Fact and Conclusions of Law Re: Confirmation Of Debtor's Amended Plan Of

Reorganization (Dated December 4, 2009), As Amended, And Related Settlements And Compromises" ("Written Findings and Conclusions").¹

NOW, THEREFORE, BASED UPON THE ORAL RULING, AND THE WRITTEN FINDINGS AND CONCLUSIONS, IT HEREBY IS ORDERED:

1. Confirmation of the Plan, As Modified. The Plan Modifications are approved. The Plan, which incorporates the Plan Modifications, and is attached hereto as Exhibit 1, is approved and confirmed.² The failure of this Order to reference a particular provision of the Plan, a particular Exhibit or Schedule to the Plan, a particular Plan Document, or any particular provision of any of the foregoing, will have no effect on the Court's approval and authorization of, or the validity, binding effect or enforceability of, the Plan.

2. Objections Overruled and Withdrawn. Any objections to confirmation of the Plan that have not been withdrawn or otherwise resolved are overruled and denied or resolved pursuant to the Oral Ruling. All withdrawn objections are deemed withdrawn with prejudice.

3. Provisions of Plan and Order Nonseverable and Mutually Dependent. The provisions of the Plan, the Written Findings and Conclusions, and this Order are nonseverable and mutually dependent.

4. Notice of Plan, Confirmation Hearing, Modifications and Settlements. The Debtor provided good and sufficient notice of the Confirmation Hearing, the Plan Modifications, the stipulations, settlements and compromises contained in the Plan, and the deadline for filing and serving objections to the same, which notices and deadlines are approved.

¹ Capitalized terms here have the meanings ascribed to them in the Plan, unless defined in the Written Findings and Conclusions, in which case they have the meanings ascribed to them in the Written Findings and Conclusions. Without limiting the generality of the foregoing, "include" or "including" shall each mean "including without limitation."

² The following also are incorporated by reference into and constitute an integral part of the Plan: (a) the Exhibits to the Plan, (b) the Exhibits to the Disclosure Statement, (c) the Schedule of Assumed Contracts and Leases (the final form of which is attached hereto as Exhibit 2), (d) the Schedule of Rejected Contracts and Leases (the final form of which is attached hereto as Exhibit 3), (e) the Plan Documents.

5. Approval of Stipulations, Settlements, and Compromises. The compromises, settlements, and Plan-objection resolutions that are embodied in the Plan or have been entered into in connection with the Plan are approved. These compromises and settlements include: the Committee Stipulation, the Williams Stipulation, the Penn Virginia Stipulation, the Savanna/Trailblazer Stipulation, the PEIC Stipulation, the Black Stone Stipulation, and the compromise treatment under the Plan of the Claims of Wells Fargo Capital Finance LLC, formerly known as Wells Fargo Foothill, LLC ("WFCF"), the Claims of Ableco, the Williams Claims, the Claims of the holders of Compromised O&G Mechanics/Materialmen Claims, and General Unsecured Claims.

6. Classification and Treatment of Claims and Interests. The classification and treatment of Claims and Interests as provided in the Plan is approved.

7. Effectuation of the Plan. The Debtor, the Estate, the Committee, Ableco, WFCF, the Reorganized Debtor, the Liquidating Trust, and the Liquidating Trustee are authorized and empowered pursuant to Bankruptcy Code section 1142 to (a) execute, deliver and consummate any and all documents and instruments and take any and all actions necessary or desirable to implement the Plan and this Order and to effect any other transactions contemplated therein or thereby, including the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents; (b) perform and comply with all of the terms, conditions, and obligations of and under the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents; (c) take all other actions and execute, deliver, record, and file all other such agreements, documents, instruments, mortgages, deeds of trust, financing statements, releases, applications, registration statements, reports and changes, additions, or modifications thereto in connection with the consummation of the transactions contemplated by the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents and the performance thereof, including the making of such filings or the recording of any security interests, as may be required by the final terms of the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing

Documents; (d) grant to WFCF and Ableco, valid, binding, enforceable, and perfected security interests and Liens upon all of the collateral specified in the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Document and continue the perfected security interests and Liens granted under the Prepetition Credit Agreement, subject to the terms of the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents; and (e) pay all fees, costs, and expenses, if any, to be paid in connection with the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents. To effectuate the Plan and such transactions, the officers or responsible representatives of the Debtor, Reorganized Debtor and the Liquidating Trustee are authorized – without further notice or application to or order of the Court – are authorized to execute, deliver, file or record such agreements or documents, and to take such other actions to effectuate the Plan, the Plan Documents and such transactions.

8. Authorizations Not Limiting. The approvals and authorizations specifically set forth in this Order are not intended to limit the authority of any Debtor or any officer thereof to take any and all actions necessary to implement, effectuate and consummate any and all documents or transactions contemplated by the Plan or this Order.

9. Plan Treatment As Full Satisfaction. The treatment set forth in the Plan is in full and complete satisfaction of the legal, contractual, and equitable rights (including any Liens) that each holder of a Claim or Interest may have in or against the Debtor, the Estate, the Reorganized Debtor, the Liquidating Trust, the Liquidating Trustee, and the respective property of all of the foregoing.

10. U.S. Trustee Fees. Reorganized Mahalo shall pay to the U.S. Trustee all fees due and owing under 28 U.S.C. § 1930 in cash on the Distribution Date.

11. Amendment and Restatement of Prepetition Credit Agreement. Upon the occurrence of the Effective Date, the Prepetition Credit Agreement shall be amended and restated pursuant to the Wells Fargo Foothill Restated Credit Documents and the Restated Ableco Credit Documents (which include the Exit Facility Documents), respectively. In accordance with the Plan, the liens, security

interests, mortgages and other interests in collateral granted to or for the benefit of the Secured Lenders under the Prepetition Credit Agreement shall remain valid, perfected, in full force and effect and fully enforceable in accordance with their terms, without interruption or the need for any restatement, reaffirmation or re-perfection, but shall secure the obligations under the Wells Fargo Restated Credit Agreement and the Restated Ableco Credit Agreement (which includes the Exit Facility Agreement), respectively.

12. Perfection of Liens Contemplated Under Plan. Upon the occurrence of the Effective Date, in accordance with the Plan, the liens, security interests, mortgages and other interests in collateral as are granted to WFCF, Ableco, Williams Production, and other parties in interest to secure indebtedness pursuant to the Plan, shall constitute valid, perfected and fully enforceable liens, security interests, mortgages and other interests against the relevant collateral, as of the Effective Date, without the need for any perfection; provided that the existing liens, security interests, mortgages and other interests in collateral described in Paragraph 13 shall continue to secure the indebtedness restated and amended under the Wells Fargo Foothill Restated Credit Documents and the Restated Ableco Credit Documents (which include the Exit Facility Documents) and shall not be deemed to have been granted as of the Effective Date, but rather at their original inception; and provided, however, that nothing herein shall preclude such parties or their representatives, successors or assigns from filing and/or recording such documents as they deem appropriate in their sole and absolute discretion to document those liens security interests, mortgages and other interests that are being granted as of the Effective Date. The relative priority of all such liens, security interests, mortgages and other interests in the property that they encumber shall in all events be governed by the Plan and the conditions set forth in the Plan, provided that as between WFCF and Ableco, the priority of liens shall be governed by the Intercreditor Agreement. Nothing in this Order shall confer, perpetuate, or preserve any lien, security interest, mortgage and other interest in property in contravention of the Plan.

13. Plan Documents. The Debtor and Reorganized Debtor have all of the requisite legal authority, by virtue of the Confirmation Order and otherwise, to enter into the Plan Documents, as the

same may have been amended, supplemented, or modified prior to the Effective Date, and to incur the obligations set forth therein, including incurring the indebtedness and granting the Liens contemplated thereby, all in accordance with the Plan. The execution and delivery by the Debtor and/or Reorganized Debtor and the performance by the Debtor and/or Reorganized Debtor of its obligations under the Plan Documents do not and will not under existing law, contravene any provision of the Debtor's organizational documents or any law, rule or regulation to which the Debtor or its assets are subject. On and after the Effective Date, the execution and delivery of the Plan Documents by the Debtor and/or Reorganized Debtor, including the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents, will create valid and fully enforceable obligations against the Reorganized Debtor and its assets, pursuant to the terms of such Plan Documents. The Debtor and/or Reorganized Debtor is authorized, subject to the consent of the other parties to such agreements and the terms thereof, to amend, supplement, or modify the Plan Documents, including the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Agreement and the Exit Financing Documents, prior to the Effective Date, in a manner that is consistent with the Plan.

14. New Board Members. Upon the Effective Date, and without further action or approval by any person, entity or governmental unit, the New Board Members shall become the directors of Reorganized Mahalo and shall be authorized to act in accordance with applicable nonbankruptcy law, without reference to the Court. Upon the Effective Date, the New Board Members shall replace the then-existing members of the board of directors for Mahalo, whose term as directors shall be deemed terminated as of the Effective Date.

15. Cancellation of Interests. In accordance with the Plan, on the Effective Date, without any further action by any party, all Interests in the Debtor shall be cancelled, retired, annulled, and extinguished and of no further force or effect, including each share of Existing Stock issued and outstanding or any other stock held in treasury and no consideration will be paid or caused to be paid or delivered with respect thereto.

16. 1145 Exemption. The exemption from the requirements of Section 5 of the Securities Act of 1933, 15 U.S.C. § 77e, and any state or local law requiring registration or qualification for the offer or sale of a security provided under Bankruptcy Code section 1145 applies to the New Common Stock issued and distributed under the Plan.

17. Vesting of Property in Reorganized Debtor. Pursuant to Bankruptcy Code sections 1141(b) and 1141(c) and Section V.C of the Plan, and except as otherwise provided in the Plan and the Plan Documents, the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents, on the Effective Date, all property of the Estate shall vest in Reorganized Mahalo, free and clear of all claims, Liens, encumbrances and interests. From and after the Effective Date, Reorganized Mahalo may operate its business and use, acquire and dispose of property without supervision by the Court, and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan, the Confirmation Order, and the Plan Documents.

18. Vesting Of Rights To Suspense Funds. Without limiting the generality of the Paragraph 17, pursuant to Section V.C of the Plan, on the Effective Date, all Suspense Funds shall be released to and vested in Reorganized Mahalo, free and clear of all claims, Liens, encumbrances and interests, except as provided in the Wells Fargo Foothill Restated Credit Documents, the Restated Ableco Credit Documents and the Exit Financing Documents, in accordance with the applicable release provisions set forth in the Plan. In accordance with the foregoing, after the Effective Date, each of Clearwater, Oneok and Enerfin shall forthwith remit to the Reorganized Debtor all Suspense Funds then in their possession and shall cease to suspend the payment of any funds to the Reorganized Debtor on account of Liens asserted in respect of any Claim that first arose prior to the Petition Date.

19. Williams Stipulation. The liens and security interests granted to Williams Production pursuant to the Williams Stipulation shall be valid, perfected and enforceable as of the Effective Date without further action or order of the Court. Such liens and security interests shall have the relative

priority as to other Liens in, on or against property of the Reorganized Debtor as provided in the Williams Stipulation.

20. Release and Expungement of Liens By Compromising Creditors. Pursuant to Section II.C.5 of the Plan, any Liens, Claims or trust interests in property of the Debtor that are asserted by the following parties, which constitute holders of Compromised O&G Mechanics/Materialmen Claims, shall be deemed voided, released and expunged as of the Effective Date:

Arkoma Machine and Fishing Tools	Arrow Pump and Supply Inc	Avatar Energy LLC
BICO Drilling Tools Inc	Big Mac Tank Trucks LLC	Blake Construction Company Inc
Blake Drilling Fluids Inc	Blake Trucking LLC	Bumpers Construction and Trucking Co Inc.
Bynum and Company	Cimarron Services Inc	Drumright Oilwell Service LLC
Graco Fishing and Rental Tools	Graco Oilfield Services	Halliburton Energy Serv Inc
Horizon Well Logging LLC	Hunter Steel LLC	Littlefield Oil Co
MCGR Operating Company Inc	MP Enterprise LLC	Plaster and Wald Consulting Corp
Precision Impact Recovery LLC	River Valley Oilfield	Savanna Drilling LLC ³
Trailblazer Drilling Corp ³	Sierra Engineering	Team Packer Service and Team Oil Tools

Attached hereto and incorporated herein by this reference as Exhibit 4 is a non-exclusive list of Lien filings made by the holders of Compromised O&G Mechanics/Materialmen Claims against property interests of the Debtor in certain Oklahoma counties, which Lien filings shall be deemed voided, released and expunged as of the Effective Date. Payment of the "Distribution Amount" specified under the Plan for each of the foregoing holders of a Compromised O&G Mechanics/Materialmen Claim shall be the only amount to which it is entitled under the Plan on account of all of its Claims. At the request and expense of Reorganized Mahalo, the holders of Compromised O&G

³ As modified by the Savanna/Trailblazer Stipulation.

Mechanics/Materialmen Claims shall execute lien releases with respect to such Liens, Claims and trust interests, which releases shall be recorded with the appropriate governmental authority. The foregoing provision is intended to enable Reorganized Mahalo to clarify the status of such interests in the public records; provided, however, that failure to request, obtain or record such a lien release will not affect the relief granted in the first sentence of this Paragraph. By its terms, the foregoing provides only for the release of Claims (*i.e.*, rights against the Debtor or interest in property of the Debtor); nevertheless, for avoidance of any doubt, notwithstanding any provision of the Plan or this Order, the foregoing shall not effect a release or expungement of any Lien against any non-Debtor or any interest in property of a non-Debtor.

21. Release By Compromising Creditors. Upon the Effective Date, each holder of a Compromised O&G Mechanics/Materialmen Claim identified in Paragraph 20 shall be a Compromise Party for purposes of the provisions set forth in Section VI.B of the Plan. In consideration for the undertakings of Ableco and WFCF under the Plan, including the funding of amounts necessary to make payments hereunder, each such holder has waived and released, and shall not assert any Rights of Action held by such holder against Ableco, WFCF or their respective Related Compromise Parties, or any of their respective successors and assigns.

22. Baker Hughes. Any and all Liens, Claims or trust interests asserted by Baker Hughes Oilfield Operations, Inc. d/b/a Baker Oil Tools ("Baker Hughes") against the Debtor on account of any Claims shall be deemed voided, released and expunged as of the Effective Date, including Lien No. L-115-09 filed in McIntosh County, Oklahoma. At the request and expense of Reorganized Mahalo, Baker Hughes shall execute lien releases with respect to such Liens, Claims and trust interests, which releases shall be recorded with the appropriate governmental authority. The foregoing provision is intended to enable Reorganized Mahalo to clarify the status of such interests in the public records; provided, however, that failure to request, obtain or record such a lien release will not affect the relief granted in the first sentence of this Paragraph.

23. Scientific Drilling. Any and all Liens, Claims or trust interests asserted by Scientific Drilling International, Inc. ("Scientific") against the Debtor on account of any Claims shall be deemed voided, released and expunged as of the Effective Date, including Lien Nos. 209000 and 209006 in LeFlore, County, and Lien Nos. L-23-09, L-55-09, L-71-09 through L-72-09, and L-79-09 through L-87-09 McIntosh, County. At the request and expense of Reorganized Mahalo, Scientific shall execute lien releases with respect to such Liens, Claims and trust interests, which releases shall be recorded with the appropriate governmental authority. The foregoing provision is intended to enable Reorganized Mahalo to clarify the status of such interests in the public records; provided, however that, failure to request, obtain or record such a lien release will not affect the relief granted in the first sentence of this Paragraph.

24. Class 6 Non-Compromised Lien/Trust Claims. The Claims held by each of the following entities are Class 6 Non-Compromised Lien/Trust Claims under the Plan:

Cudd Pressure Control

Penn Virginia MC Energy LLC, Penn Virginia MC Operating Company, LLC, Penn Virginia Oil and Gas Corporation

Thru Tubing Solutions Inc

Weatherford US LP/Weatherford International

Yale Oil Association Inc

Each of the entities identified in the foregoing table shall be treated pursuant to the terms of the treatment generally described for Class 6 Claims in the Plan, except for Penn Virginia MC Energy LLC, Penn Virginia MC Operating Company, LLC, Penn Virginia Oil and Gas Corporation, which shall be treated pursuant to the Penn Virginia Stipulation.

25. Election to Waive Secured Claim. Notwithstanding the other provisions of this Order, any of the above-referenced holders of Claims in Class 5 or Class 6 may elect, by filing and serving written notice thereof prior to the Distribution Date on counsel for the Debtor, the Committee, Ableco and WFCF, to waive any Secured Claim such holder may hold against the Debtor or the Estate, waive

any right to a distribution pursuant to Class 5 or Class 6 respectively, and accept treatment of the entirety of its Allowed Claim as a General Unsecured Claim under Class 9 of the Plan (the "Secured Claim Waiver"). The Debtor shall provide additional notice of the opportunity to make the Secured Claim Waiver to the holders of Class 5 Claims and Class 6 Claims.

26. Preservation of Rights of Action By Reorganized Debtor. Without limiting the generality of the Paragraph 17, pursuant to Bankruptcy Code section 1123(b) and Section V.D of the Plan, Reorganized Mahalo shall be vested on the Effective Date with and shall retain and may enforce any and all Retained Actions (including those referenced in the Disclosure Statement).

Notwithstanding the foregoing, the Retained Actions shall not include any claim, right or cause of action released pursuant to the Plan.

27. Disposition of Liens. Upon the Effective Date, pursuant to Section VI.A of the Plan, except to the extent expressly preserved under the Plan, including the Liens granted pursuant to the Wells Fargo Foothill Restated Credit Agreement, the Restated Ableco Credit Agreement and the Exit Financing Agreement, and thereafter to the extent the Bankruptcy Court determines that a Lien is not an Allowed Secured Claim or Allowed Trust Claim, any Lien or other interest in or against property of the Debtor (including Suspense Funds), the Estate and/or Reorganized Mahalo shall be void and of no force and effect, irrespective of whether such Lien or other interest remains as a matter of record with respect to the title to such property.

28. Disposition of Suspense Funds. Upon the occurrence of the Effective Date, Clearwater, Oneok and Enerfin shall (A) promptly remit to the Reorganized Debtor the Suspense Funds in their respective possession in respect of Liens asserted on account of any Claim against the Debtor or its Estate by (i) Williams Production, (ii) Baker Hughes, (iii) Scientific, (iv) the holders of Class 5 Compromised O&G Mechanics/Materialmen Claims listed in Paragraph 20 hereof (including any of such holders that subsequently waive their Secured Claims and elect to have such Claims treated as General Unsecured Claims under Class 9), and (v) the holders of Class 6 Non-Compromised Lien/Trust Claims listed in Paragraph 23 (including any of such parties that

subsequently waive their Secured Claims and elect to have such Claims treated as General Unsecured Claims under Class 9) (all of the foregoing constituting the "Suspense Claimants"), and (B) cease and desist the suspense of funds on account of Liens previously asserted by any of the Suspense Claimants on account of Claims first arising prior to the Petition Date. Neither Clearwater, Oneok or Enerfin, or any of their respective agents, members, directors, officers, advisors, counsel or other representatives shall have any liability to any Suspense Claimant as a result of its compliance with this Order. Upon the occurrence of the Effective Date, the Plan and the relief provided in this paragraph renders moot the interpleader counterclaims and crossclaims with respect to Suspense Funds filed by Clearwater in each of the following pending adversary proceedings: *Williams Production Mid-Continent Company v. Ableco Finance LLC*, Adversary No. 10-08001, and *Yale Oil Association, Inc. v. Abelco Finance LLC et al* and No. 10-08011. The Reorganized Debtor shall pay the reasonable legal fees and expenses, incurred during the pendency of the Debtor's case prior to the Effective Date (based upon presentation of reasonably detailed billing statements), up to \$10,000 for each of Clearwater, Oneok, and Enerfin, in respect of legal expenses pertaining to the disposition of the Suspense Funds in the Debtor's case, including with respect to the aforementioned adversary proceedings.

29. Ableco General Unsecured Deficiency Claim. Pursuant to the Plan, (i) the Ableco General Unsecured Deficiency Claim shall not receive any consideration otherwise payable under the Plan to holders of Allowed General Unsecured Claims and (ii) no provision of the Plan, any Plan Document, or this Confirmation Order, nor the occurrence of the Effective Date of the Plan, shall be deemed to modify, discharge or prejudice the rights of the Secured Lenders against the Parent or its assets (including the Ableco General Unsecured Deficiency Claim) with respect to the Parent's obligations arising under the Prepetition Credit Agreement or any guarantee, pledge agreement, or other document entered into by Parent in connection with the Prepetition Credit Agreement. Without limiting the scope of the foregoing, the Ableco General Unsecured Deficiency Claim does not constitute part of the Wells Fargo Foothill Restructured Debt Amount or the Ableco Restructured Debt Amount that is being satisfied under the Plan and the Parent's obligations with respect thereto

shall continue to be outstanding as against the Parent and, solely to the extent necessary to constitute a continuing obligation of Parent, shall constitute an obligation of Reorganized Mahalo that shall be junior and subordinated in all respects to all now or hereafter arising obligations of Reorganized Mahalo.

30. Liquidating Trust, Liquidating Trustee, and Advisory Committee. The creation of the Liquidating Trust in accordance with the Plan and the Liquidating Trust Agreement hereby is approved. The Committee has selected P. David Newsome, Jr. to serve as the initial Liquidating Trustee, which selection is hereby approved. The initial members of the Advisory Committee shall be Rand Phipps, Rosa Rivera, and Christopher J. Ryan.

31. Preservation of Rights of Action By Liquidating Trust. Pursuant to Bankruptcy Code section 1123(b) and Section V.D of the Plan, the Liquidating Trustee, on behalf of the Liquidating Trust and the holders of Allowed General Unsecured Claims shall be vested on the Effective Date with the Designated Avoidance Actions. Upon the Effective Date, the Liquidating Trustee and only the Liquidating Trustee shall have standing to assert the Designated Avoidance Actions and may prosecute, abandon, settle or otherwise dispose of the Designated Avoidance Actions in his/her discretion.

32. Actions of the Liquidating Trustee. The Liquidating Trustee shall have the power to institute ancillary proceedings including, but not limited to, the issuance of subpoenas, conducting and participating in discovery, taking depositions, taking 2004 examination, the pursuit of contempt actions, and otherwise to pursue all rights and remedies available under law or equity to assist the Liquidating Trustee in fulfilling his duties under the Liquidating Trust Agreement.

33. Jurisdiction and Actions of Liquidating Trustee. Without limiting the scope of the retention of jurisdiction contained in Section VII.N of the Plan (including Section VII.N.4 thereof), the Bankruptcy Court shall retain jurisdiction over all ancillary proceedings instituted by the Liquidating Trustee, including, but not limited to, the Liquidating Trustee's issuance of subpoenas, conducting and participating in discovery, taking of depositions, taking of 2004 examination, the

pursuit of contempt actions, and all other actions taken in pursuit of rights and remedies available under law or equity to assist the Liquidating Trustee in fulfilling his duties under the Liquidating Trust Agreement.

34. Claims Objections. Objections to any Claims shall be Filed and served upon the holder of such Claim no later than the Claim Objection Deadline.

35. Dissolution of the Committee. Pursuant to Section V.K of the Plan, on the Effective Date, the Committee shall be dissolved, and the members thereof discharged of all rights and duties arising from or related to the Case, except with respect to final applications for the compensation of professional compensation.

36. Disbursing Agent. Each of the Reorganized Debtor and the Liquidating Trustee shall be deemed to serve as the "Disbursing Agent" for purposes of Section V.G of the Plan to make the respective distributions for which each is responsible under the Plan. Each shall have all powers, rights, duties and protections afforded a Disbursing Agent under the Plan.

37. Exemption from Certain Transfer Taxes. In accordance with Bankruptcy Code section 1146(a), and notwithstanding any applicable nonbankruptcy law, neither the Reorganized Debtor nor any party to a transfer, assignment, exchange of any property (including the transfer of any debt or equity security, or the creation of a lien or security interest), or any other transaction contemplated by and/or implemented pursuant to the Plan or the Plan Documents, shall be liable for any stamp, mortgage, transfer, recording, documentary or intangible taxes or similar charges that otherwise would be payable to a governmental unit in connection with such transactions and the recordation of instruments in connection with such transactions, including such transfers and recordations as are necessary to effectuate the conveyance of the Specified Assets to the Liquidating Trust pursuant to the Plan.

38. Assumption of Executory Contracts and Unexpired Leases. The assumption of the contracts and leases set forth on the Schedule of Assumed Contracts is approved. The assumption of

such contracts and leases shall be effective on the Effective Date, without further action by any party or the Court.

39. Cure Payment/Resolution of Related Claims. Pursuant to section IV.B.4 of the Plan, payment of a Cure Payment with respect to an executory contract or unexpired lease assumed under the Plan shall be deemed to satisfy, in full, any and all Claims arising therefrom or relating thereto, including any prepetition Claim or Rejection Damage Claim asserted in a Filed proof of claim or listed in the Schedules, irrespective of whether the Cure Payment is less than the amount set forth in such proof of claim or the Schedules. Upon the tendering of the Cure Payment, such Claims shall be deemed satisfied, without further order of the Court or action by any party.

40. Rejection of Executory Contracts and Unexpired Leases. The rejection of the contracts and leases identified on the schedule of Rejected Contracts, and all other contracts and leases that are not specifically listed on the Schedule of Assumed Contracts (except for any such contract or lease that already has assumed or rejected by prior order of the Court or constitutes a Confidentiality Agreement) is approved. The rejection of such contracts and leases shall be effective on the Effective Date, without further action by any party.

41. Bar Date For Rejection Damages Claims. Any Rejection Damage Claim or other General Unsecured Claim for damages arising from the rejection under the Plan of an executory contract or unexpired lease must be Filed and served on both Reorganized Mahalo and the Liquidating Trustee within thirty (30) days after the mailing of notice of the occurrence of the Effective Date (nothing herein shall extend the deadline for the filing of claims with respect to contracts or leases previously rejected). Any such Claim that is not timely Filed and served will be entitled to no distribution under the Plan on account of such Claim and will be unenforceable against the Debtor, the Estate, Reorganized Mahalo, the Liquidating Trust, and their respective property, and entities holding such Claims will be barred by this Order from receiving any distributions under the Plan on account of such untimely Claims.

42. Discharge/Injunction. Section VI.A, which addresses the binding effect of the Plan, the discharge of Claims and Interests and the permanent injunction effectuating such discharge, are approved. This Order constitutes a judicial discharge of all liabilities of the Debtor, its Estate, and all successors thereto. As provided in Bankruptcy Code sections 524 and 1141(d), such discharge voids any judgment against the Debtor, Reorganized Debtor, the Estate, or the property of any of the foregoing and operates as an injunction against the prosecution of any action against the Debtor, Reorganized Debtor, the Estate, or the property of any of the foregoing, to the extent such judgment or action relates to a discharged Claim.

43. Compromise of Claims By Debtor And Estate. Section VI.B of the Plan, which addresses the compromise and release of claims by the Debtor and the Estate, is approved.

44. Exculpation/Limitation of Liability. Section VI.C of the Plan, which addresses the limitation of liability and exculpation of certain parties in interest, is approved.

45. Injunctive Relief Relating To Claims and Releases. Section VI.D of the Plan, which addresses the permanent injunction in respect of claims released and exculpated under the Plan, is approved and constitutes the order of this Court. All persons and entities are permanently enjoined by this Order from commencing or prosecuting, whether directly derivatively or otherwise, any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released or exculpated pursuant to this plan, including claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released under the Plan.

46. Binding Effect and Validity. Pursuant to sections 1123(a), 1141(a) and 1142, and subject to the occurrence of the Effective Date, the terms of the Plan are approved and shall be binding upon and enforceable against: the Debtor; the Estate; all holders of Claims and Interests, the Estate, property of the Estate, and/or property to be distributed pursuant to the Plan, irrespective of whether or not the Claims or Interests are impaired under the Plan, whether or not those the holders thereof have voted to accept or reject the Plan, and whether or not such holders have filed proofs of Claim or proofs of Interest in the Case; each Person acquiring property under the Plan; any other party

in interest making an appearance in this Case; and each of the respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, managers, members, partners, agents, representatives, attorneys, beneficiaries or guardians of the foregoing.

47. Automatic Stay. The stay in effect in the Case pursuant to Bankruptcy Code section 362(a) continues to be in effect until the occurrence of the Effective Date, and at that time shall be dissolved and of no further force or effect, subject to the injunctions set forth in this Order, the Plan and sections 524 and 1141 of the Bankruptcy Code.

48. Stay of Confirmation Order. Pursuant to Section VII.B of the Plan, the stay that is otherwise application to this Order under Bankruptcy Rule 3020 shall terminate five (5) days after the entry of this Order.

49. Notice of Confirmation Date/Effective Date. Promptly after the occurrence of the Effective Date, the Debtor shall serve all known holders of Claims and Interests, with notice of the entry of this Order, the occurrence of the Effective Date, the deadlines established under the Plan for the filing of motions or applications to allow Professional Fee Claims, Prepetition Administrative Goods Claims, Ordinary Course Administrative Claims and Non-Ordinary Course Administrative Claims, and the bar date for filing a proof of claim with respect to any Rejection Damages Claim, in substantially the form attached hereto as Exhibit 5, which is hereby approved.

50. Retention of Jurisdiction. The Court shall retain jurisdiction as provided in Section VII.N of the Plan.

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